

COVER SHEET

ARIZONA CORPORATION COMMISSION DOCKET CONTROL CENTER



0000000672

CASE/COMPANY NAME:

DOCKET NO.

DINÉ POWER AUTHORITY

L-000000-00-013

AZ CORP COMMISSION

0103
JUL 26 2 43 PM '00

D/B/A or RESPONDENT:

DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

NATURE OF ACTION OR DESCRIPTION OF DOCUMENT

Please mark the item that describes the nature of the case/filing: JUL 26 2000

01 UTILITIES - NEW APPLICATIONS

NEW CC&N

RATES

INTERIM RATES

CANCELLATION OF CC&N

DELETION OF CC&N (TERRITORY)

EXTENSION OF CC&N (TERRITORY)

TARIFF - NEW (NEXT OPEN MEETING)

REQUEST FOR ARBITRATION

(Telecommunication Act)

FULLY OR PARTIALLY ARBITRATED

INTERCONNECTION AGREEMENT

(Telecom. Act.)

VOLUNTARY INTERCONNECTION

AGREEMENT (Telecom. Act)

MAIN EXTENSION

CONTRACT/AGREEMENTS

COMPLAINT (Formal)

RULE VARIANCE/WAIVER REQUEST

SITING COMMITTEE CASE

SMALL WATER COMPANY -SURCHARGE (Senate Bill 1252)

SALE OF ASSETS & TRANSFER OF OWNERSHIP

SALE OF ASSETS & CANCELLATION OF CC&N

FUEL ADJUSTER/PGA

MERGER

FINANCING

MISCELLANEOUS

Specify

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02 UTILITIES - REVISIONS/AMENDMENTS TO PENDING OR APPROVED MATTERS

APPLICATION

COMPANY

DOCKET NO.

TARIFF

PROMOTIONAL

DECISION NO.

DOCKET NO.

COMPLIANCE

DECISION NO.

DOCKET NO.

SECURITIES or MISCELLANEOUS FILINGS

04 AFFIDAVIT

12 EXCEPTIONS

18 REQUEST FOR INTERVENTION

48 REQUEST FOR HEARING

24 OPPOSITION

50 COMPLIANCE ITEM FOR APPROVAL

32 TESTIMONY

47 COMMENTS

29 STIPULATION

38 NOTICE OF INTENT

(Only notification of future action/no action necessary)

43 PETITION

46 NOTICE OF LIMITED APPEARANCE

39 OTHER

Specify

7/26/00

Date

MICHAEL M. GRANT, ESQ

Print Name of Applicant/Company/Contact person/Respondent/Atty.

530-8291

Phone

PLEASE SEE NOTICE ON REVERSE SIDE

GALLAGHER & KENNEDY

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JUL 26 2000

July 26, 2000

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Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: *Testimony of Messrs. Bergdale and Palmer on behalf of DPA;*
Case No. L-00000U-00-0103

RECEIVED
AZ CORP COM
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Dear Sir/Madam:

Enclosed are twenty-five (25) copies of the testimony of Garlyn Bergdale and Randy Palmer on DPA's behalf in relation to the Navajo Transmission Project. DPA plans to present Messrs. Bergdale and Palmer as a panel at the hearing before the Siting Committee on July 31, 2000.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

By: 
Michael M. Grant

ORIGINAL and 25 copies filed
with Docket Control this 26th
day of July, 2000.



cc: Garlyn Bergdale (w/encl.)
Randy Palmer (w/encl.)
Arlene Arviso (w/encl.)

MMG/lmm
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BEFORE THE ARIZONA POWER PLANT AND

TRANSMISSION SITING COMMITTEE

DOCUMENT CONTROL

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4 IN THE MATTER OF THE APPLICATION
5 OF DINÉ POWER AUTHORITY FOR A
6 CERTIFICATE OF ENVIRONMENTAL
7 COMPATIBILITY FOR THE NON-
8 RESERVATION PORTIONS OF THE
9 NAVAJO TRANSMISSION PROJECT.

Case No.: L-00000U-00-0103

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TESTIMONY OF

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RANDY D. PALMER

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ON BEHALF OF

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DINÉ POWER AUTHORITY

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1 Q. Would you please state your name, business address, nature of involvement with
2 the Project and personal qualifications?

3 A. My name is Randy Palmer. I am a principal with the Environmental Planning
4 Group (EPG) located at 4350 East Camelback Road, Suite G-200, Phoenix,
5 Arizona 85018.

6 My qualifications include a Bachelor of Science Degree in Outdoor
7 Recreation with an emphasis on Landscape Architecture from Colorado State
8 University and a Masters Degree in Landscape Architecture from Harvard
9 University. I have over 15 years of experience conducting environmental planning
10 studies for utility projects in 10 states and Canada.

11 I have acted as the project manager for the Navajo Transmission Project
12 (the "Project" or "NTP") since 1995 and have been responsible for the assessment
13 of impacts associated with the project, the comparison of alternatives, selection of
14 a preferred alternative(s), preparation of the Draft and Final EIS (DEIS/FEIS),
15 preparation of the Construction, Operation, and Maintenance Plan (COMP) and
16 submittal of right-of-way applications for the Project.

17 Q. Mr. Palmer, a Record of Decision has been issued in relation to the Project. Please
18 summarize its key findings.

19 A. In publishing the Record of Decision, the Western Area Power Administration
20 (Western) decided that the NTP should follow the preferred alternative based upon
21 the analysis and information contained in the DEIS/FEIS. Factors which were
22 taken into account in arriving at the preferred alternative included (1)

1 environmental acceptability; (2) siting and permitting requirements that vary by
2 land status; (3) public and agency preferences, especially those of the cooperating
3 agencies; (4) electrical system considerations such as power flow and impacts on
4 system interconnections; (5) engineering factors (length of route, construction
5 difficulty etc.); (6) right-of-way acquisition considerations; and (7) the statutory
6 obligations of the permitting agencies.

7 In making this decision, Western believed that all practicable measures to avoid or
8 minimize significant impacts were presented in the Project EIS, including standard
9 and specific mitigation measures.

10 **Q.** What is a Construction, Operation, and Maintenance Plan (COMP) and why has it
11 been prepared?

12 **A.** As I mentioned, in making its decision Western believed that all practicable means
13 to avoid or minimize significant impacts were presented in the earlier EIS studies
14 in the form of standard and specific mitigation measures. As a part of this
15 decision, it was also determined that cooperating agencies and Native American
16 tribes participating in the Project have decisions to make concerning the granting
17 of rights-of-way for the preferred alignment described in the EIS. The COMP is a
18 plan which even more specifically details all necessary environmental mitigation.

19 The COMP addresses requirements and policies of the cooperating
20 agencies for this Project including the Bureau of Indian Affairs (BIA), Bureau of
21 Land Management (BLM), U.S. Forest Service (Forest Service), National Park
22

1 Service (NPS) and Native American groups including the Navajo, Hopi and
2 Hualapai Tribes. The COMP incorporates and refines information which is
3 contained in the DEIS, FEIS and the Mitigation Plan.

4 **Q.** When was the COMP completed in relation to the NTP?

5 **A.** The Preliminary COMP was completed in March of 1999. The plan has been
6 submitted to each agency (as appropriate) in support of ongoing right-of-way
7 applications.

8 **Q.** Please describe for the committee how the COMP addresses mitigation measures
9 for the Project.

10 **A.** The COMP is organized into 10 sections which describe the project background,
11 proposed facilities, roles and responsibilities of participants during construction
12 and operation of facilities, resource protection measures and construction
13 commitments for the Project.

14 In particular, the COMP focuses on resource protection and reclamation
15 measures associated with the Project. Potential environmental consequences were
16 initially determined through the earlier systematic analysis that included assessing
17 impacts of the project on the environment and how those impacts could be
18 mitigated most effectively. These measures are referred to in the DEIS as "generic
19 mitigation measures." Where warranted, measures to mitigate impacts were also
20 recommended in specific locations ("selected mitigation").

21 These mitigation measures and additional stipulations have been refined
22 and integrated into the COMP. Support materials including two map volumes and

1 a site prescription table. The map volumes indicate the location of facilities at a
2 scale of 1"=2,000' and 1"=200' including proposed structures and access. Each
3 proposed new structure has been given a specific identifier that corresponds to the
4 site prescription table. This table provides detailed location information,
5 engineering specifications, landscape characteristics and selective mitigation
6 measures at each structure site. The COMP, supporting map volumes and site
7 prescription tables are being updated accordingly based on refinements as
8 suggested by each of the agencies involved in the project.

9 Q. Will the measures outlined in the COMP further reduce any environmental
10 impacts associated with the Project?

11 A. Yes. I would stress, however, that as presented in the EIS, there are no significant
12 impacts anticipated for those portions of the Project for which a CEC is sought.
13 However, implementation of the COMP will certainly assist in minimizing any
14 impacts that would be anticipated and will specifically address any areas of
15 individual agency concern.

16 Q. Please describe DPA's current status on right-of-way applications for the Project.

17 A. At the current time , DPA has made significant progress on the right-of-way
18 applications for the NTP. Here is a summary of the status of these applications on
19 Native American and federal lands:

20 Native American Lands

21 Right-of-way applications have been submitted to the BIA for Navajo trust lands.

22 Preliminary applications have also been prepared for fee simple lands and

1 allotments on the Navajo Nation. DPA is also working with the Navajo-Hopi
2 Land Commission and consultation with the Hopi and Hualapai Tribes is ongoing.
3 In addition, DPA, in conjunction with the Navajo Lands Department, has obtained
4 land user consent for much of the route on the Navajo Nation.

5 Other Federal Agencies

6 The application for utility systems and facilities on federal lands was
7 submitted to the BLM (Phoenix Regional Office, Kingman Resource Area, Las
8 Vegas Field Office and Farmington District), Forest Service (Kaibab National
9 Forest) and NPS (Lake Mead National Recreation Area) in November of 1998.
10 DPA anticipates completion of right-of-way approvals for these areas by the end
11 of this year.

12 **Q.** Does this complete your testimony?

13 **A.** Yes, it does.

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AZ POWER COMMISSION

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**BEFORE THE ARIZONA POWER PLANT AND
TRANSMISSION SITING COMMITTEE**

DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION
OF DINÉ POWER AUTHORITY FOR A
CERTIFICATE OF ENVIRONMENTAL
COMPATIBILITY FOR THE NON-
RESERVATION PORTIONS OF THE
NAVAJO TRANSMISSION PROJECT.

Case No.: L-00000U-00 -0103

TESTIMONY OF

GARLYN N. BERGDALE

ON BEHALF OF

DINÉ POWER AUTHORITY

- 1 Q. Would you please state your name and your business address?
- 2 A. My name is Garlyn Bergdale. My business address is 4350 East Camelback Road,
3 Suite G-200, Phoenix, Arizona 85018.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am President of Environmental Planning Group (EPG), an environmental
6 planning firm.
- 7 Q. Describe your education and professional experience.
- 8 A. I received a bachelor's degree of geography from Winona State University and a
9 master's of landscape architecture from Utah State University. I am a registered
10 landscape architect. Since 1976, I have participated in numerous environmental
11 planning studies in 20 states and Canada, including transmission and substation
12 siting and assessment studies. These environmental studies have involved various
13 transmission voltages including 500kV transmission lines. In addition, I have
14 provided testimony in Arizona, California, New Mexico, Nevada and Colorado on
15 transmission line studies that I have managed. I am currently the project director
16 for the Southwest Valley 500kV transmission line project and the APS Gila River
17 500kV transmission line project.
- 18 Q. Are you familiar with the Arizona Power Plant and Siting Committee?
- 19 A. Yes. I have testified many times on previous power plant and transmission
20 projects before this Committee.
- 21 Q. What has been your involvement with the Navajo Transmission Project?
- 22 A. I have been the principal-in-charge for the Navajo Transmission Project (the

1 "Project" or "NTP") environmental studies since 1992. I have provided direction
2 regarding the overall scope and methodology for the environmental studies and
3 oversight review of the documentation completed to date, including this
4 Application.

5 **Q.** What is the Diné Power Authority (DPA)?

6 **A.** The DPA was established as a tribal enterprise by the Navajo Nation Council to
7 promote the Navajo Nation's development of energy resources as well as new
8 sources of transmission capacity.

9 **Q.** Please describe the Project.

10 **A.** The NTP is a 500kV transmission line which begins at Western's Shiprock
11 Substation in New Mexico and proceeds west to the proposed Red Mesa
12 Substation sites (west and east), south of Page, Arizona, along Segment 1 (see
13 Figure 1 to the Application which for the convenience of the Committee is
14 attached to this testimony). The proposed 500kV line (Segment 2) then turns south
15 parallel to two 345kV lines and two 500kV lines to the proposed interconnection
16 at the Moenkopi Substation just south of Cameron, Arizona. Finally, Segment 3
17 parallels an existing 500kV line from the Moenkopi Substation to the Marketplace
18 Substation in Nevada, south of Las Vegas.

19 **Q.** Please describe the portions of the NTP for which a Certificate of Environmental
20 Compatibility (CEC) is sought (see Figure 2 which also is attached to this
21 testimony).

22 **A.** The CEC Application is for the Arizona, non-reservation portions of Segment 3.

1 The 500kV transmission line begins on the east at the boundary of the Navajo
2 Nation and the Coconino National Forest and ends at the Colorado River at the
3 Nevada and Arizona state line boundary. This portion of Segment 3 is Arizona's
4 only non-Indian reservation section of the proposed line. The length of the
5 proposed route is 138 miles (exclusive of the Navajo and Hualapai Indian
6 reservations). The alternative route is 181 miles (excluding the Navajo
7 Reservation).

8 **Q.** Does the proposed, preferred route parallel existing transmission facilities.

9 **A.** Yes. The NTP parallels an existing 500kV lattice structure along its entire route.
10 The alternate portion of the route (around the Hualapai Reservation) does not
11 parallel any existing transmission facility.

12 **Q.** What benefits will construction of the Project provide to the region's generation
13 and transmission system?

14 **A.** As described in the CEC Application, the three major benefits to the region's
15 generation and transmission system are:

- 16 1. To relieve the constraints on transmission lines west from the Four Corners
17 area to the Desert Southwest;
- 18 2. To improve operational flexibility and reliability of the extra high voltage
19 transmission system in the event of an outage of a parallel transmission
20 system and therefore to improve overall system reliability; and
- 21 3. To allow increased economical power transfers, sales and purchases in the
22 region.

- 1 Q. Please describe the benefits the NTP will provide the Navajo Nation.
- 2 A. The Project will improve the economic conditions of the Navajo Nation by:
- 3 1. Providing economic diversity and facilitating resource development.
- 4 2. Freeing up capacity on lower voltage transmission (e.g., Western's 230kV
- 5 line) allowing the Navajo Tribal Utility Authority better access to lower
- 6 cost and alternative electric supply options.
- 7 3. Meeting the Nation's objective to increase experience and provide access to
- 8 information and opportunities that will enhance Navajo energy options and
- 9 strategies.
- 10 4. Providing training and employment for American Indians during
- 11 construction, operation and maintenance of the NTP.
- 12 Q. The Application and many of its Exhibits detail the extensive environmental
- 13 analysis and planning activities that have been undertaken in relation to the
- 14 project. Please summarize the key elements of this process for the Committee.
- 15 A. Working as a "third party" for Western, an agency of the DOE, an EIS in
- 16 compliance with NEPA and CEQ guidelines was prepared under my direction.
- 17 Public and agency scoping, inventory and impact assessment were conducted for
- 18 the EIS studies. Land use, visual resources, biological resources, cultural
- 19 resources, geology, soils, hydrology, paleontology, socioeconomics, noise and air
- 20 impacts were evaluated. Further, an evaluation of the existing environment as
- 21 well as an assessment of potential environmental consequences as a result of this
- 22 Project were also completed.

1 DPA's planning work for NTP began with a regional environmental study
2 to identify potential corridors which would be feasible for constructing a
3 transmission line between the Four Corners region in northwestern New Mexico
4 and the Mead or Marketplace substations in southeastern Nevada. Through the
5 process of the feasibility studies, screening of alternatives and alternatives impact
6 assessment, well over 2,000 miles of possible transmission line routes were
7 evaluated during scoping, agency review and the environmental analysis.
8 Subsequently 1,022 miles of alternative routes were evaluated and compared in the
9 Draft Environmental Impact Statement (DEIS).

10 Since the completion of the feasibility study, extensive environmental,
11 engineering and economic studies have been conducted in compliance with the
12 preparation of documentation required under NEPA. These studies have included
13 the preparation of the *NTP Draft Environmental Impact Statement* and the *Final*
14 *Environmental Impact Statement*. The EIS culminated in October 1997 with the
15 selection of a preferred route (see Figure 2) and the publication of a Record of
16 Decision by Western (Exhibit B-1 to the Application). It is important to note that
17 no significant impacts were identified along the 138 miles of the proposed route
18 covered by this Application.

19 **Q.** Please summarize the public involvement activities associated with the Project.

20 **A.** Western conducted a total of 20 public scoping meetings in 1993 to identify
21 potential issues and concerns of affected or interested landowners, agencies,
22 organizations and other individuals. Twenty-five agency meetings were held

1 during the preparation of the EIS. An additional 20 information meetings were
2 held in 1995 to update area residents, review the results of the studies to date and
3 learn of their potential issues or concerns associated with the alternatives and
4 preferred routes being considered. Finally, during the public review period of the
5 Draft EIS (October 1996 to January 1997), 44 more public hearings were held
6 throughout the project area. In addition, six newsletters were mailed to over 2,200
7 parties and newspaper and radio announcements were published or broadcast prior
8 to public meetings and hearings.

9 **Q.** Mr. Bergdale, although the nominal width of the right-of-way for the NTP is 250
10 feet, the DPA is requesting that this Committee approve a general corridor of
11 approximately 2,000 feet. Please explain the need for the wider general corridor.

12 **A.** Preliminary design has been completed for the entire NTP. However, the precise
13 location of any particular portion of the line will be determined through site-
14 specific design as well as agency approval of the Construction, Operation and
15 Maintenance Plan - the draft of which was completed last year. Therefore, a
16 broader corridor is needed to accommodate mitigation and other measures which
17 may be required in the Project's construction phase.

18 **Q.** For how many years is the DPA requesting the CEC be granted.

19 **A.** Based on the current plans the DPA is requesting a certificate for 15 years.
20 Obviously, this is a major construction project which will be completed in
21 segments. Although as I've discussed much planning and study has already been
22 undertaken and completed, a considerable amount of work remains to be

1 accomplished. The 15 year CEC duration should provide adequate time to
2 complete the balance of this work and the construction of the Project's segments.

3 **Q.** What is your opinion of the overall environmental compatibility of the Project?

4 **A.** Based on my 24 years of experience in conducting environmental studies for
5 transmission lines, it is my opinion that the Project is compatible with the
6 environment. Impacts that would potentially result from the NTP are well within
7 the range of project impacts previously approved by this Committee as being
8 "environmentally compatible." Finally, I agree with Western's Record of Decision
9 which selected the DPA's proposed route for the NTP.

10 **Q.** Does this conclude your testimony?

11 **A.** Yes, it does.

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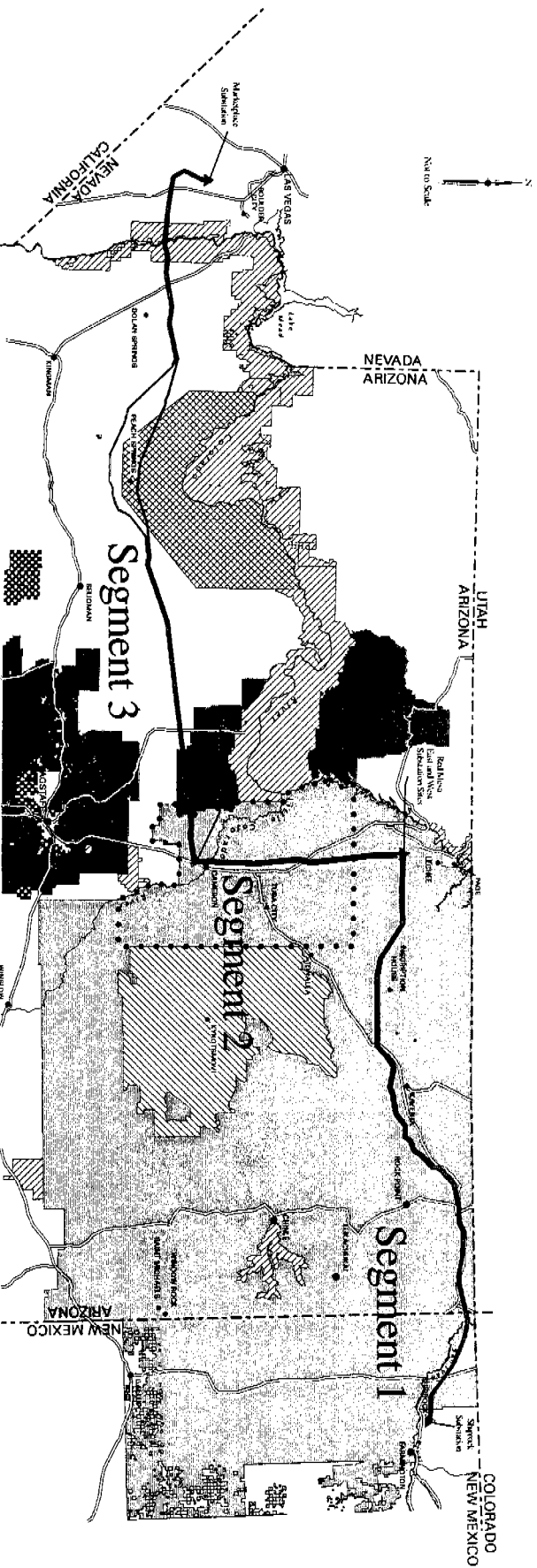
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Legend

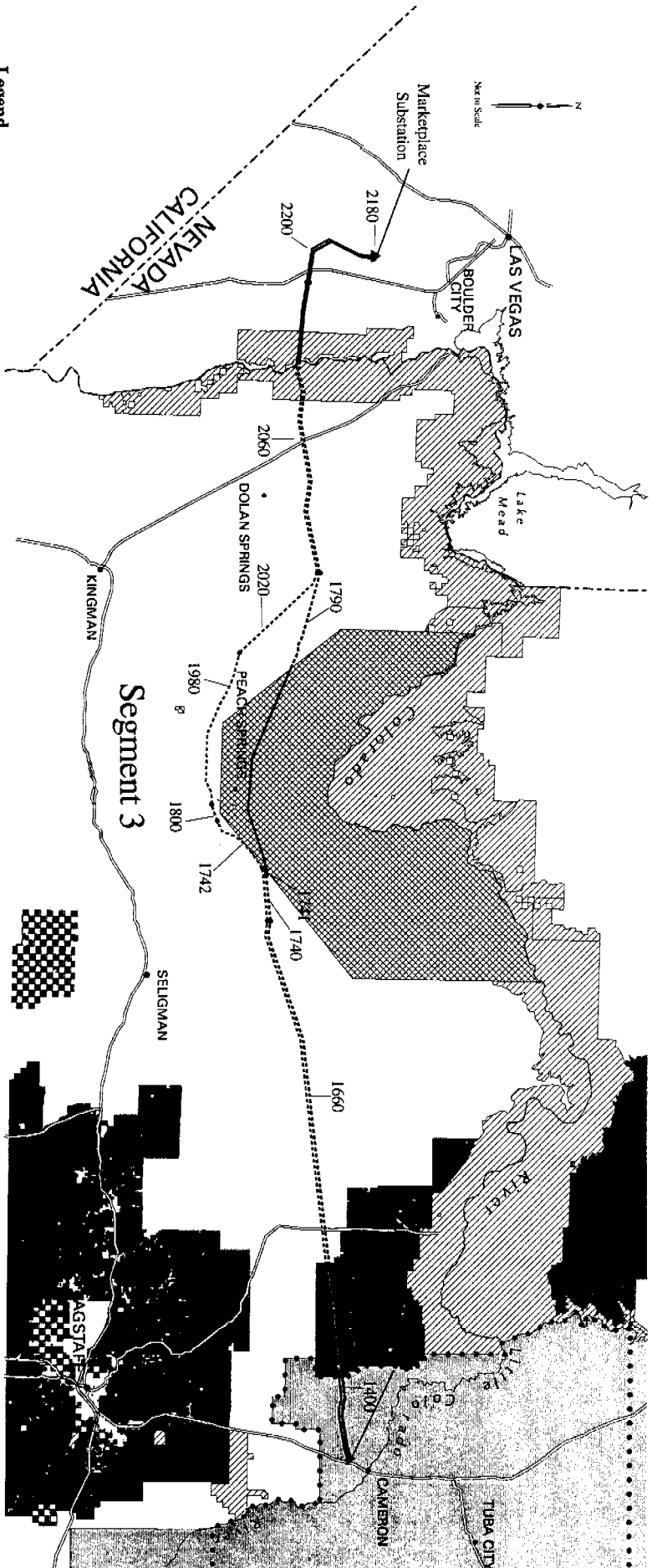
- Transmission Line Location**
- Proposed Route
 - Alternative Route
 - ▲ Substation Sites
- Land Management**
- Navajo Indian Reservation
 - Hopi Indian Reservation
 - Hualapai Indian Reservation
 - National Park Service
 - National Forests
 - State, Private, Municipal, or Bureau of Land Management
 - Banquet Freeze Area

Project Location

Navajo Transmission Project

Figure 1
April 2000

- Legend**
- Navajo Indian Reservation
 - Hualapai Indian Reservation
 - National Park Service
 - National Forests
 - State, Private, Municipal, or Bureau of Land Management
 - Burnett Freeze Area
- Proposed Route**
- Locations Requiring CEC Approval
 - Locations of Non-CEC Approval
- Alternative Route**
- Locations Requiring CEC Approval
 - Locations of Non-CEC Approval
 - 1980 - Transmission Line Link Number
 - Substation Sites (Non-CEC)



**Location of Facilities
Addressed in the CEC**
Navajo Transmission Project
Figure 2
April 2000